



THE UNIVERSAL CHILD CARE BENEFIT

- Offering more choice in child care by providing \$1,200 per year for each child under age 6.



THE CHILD TAX CREDIT

- Personal income tax relief of up to \$320 in 2011 for each child under age 18.



THE CHILDREN'S FITNESS TAX CREDIT

- A 15-per-cent non-refundable credit on up to \$500 in eligible fitness fees for a child under age 16.



THE REGISTERED DISABILITY SAVINGS PLAN

- To help parents and others save for the long-term financial security of children with severe disabilities.



REDUCING THE GST FROM 7 PER CENT TO 5 PER CENT

- Putting approximately \$1,000 back in the pockets of the average family of four every year.



INTRODUCING THE FIRST-TIME HOME BUYERS' TAX CREDIT

- Helping first-time home buyers with the costs associated with purchasing a home.

Children will benefit from the Next Phase of Canada's Economic Action Plan, with:

- A new Children's Arts Tax Credit, which will provide a 15-per-cent non-refundable tax credit on up to \$500 of eligible fees per child for artistic, cultural, recreational and developmental activities.

Find out more inside...



THE NEXT PHASE OF CANADA'S
ECONOMIC ACTION PLAN

A LOW-TAX PLAN FOR
JOBS AND GROWTH

Find out what's in it for you

ActionPlan.gc.ca

1 800 O-Canada (1-800-622-6232)

1-800-926-9105 (TTY)

Ce document est également offert en français.

Budget measures are subject to parliamentary approval



Government
Publications



THE NEXT PHASE OF CANADA'S ECONOMIC ACTION PLAN A LOW-TAX PLAN FOR JOBS AND GROWTH

WHAT IT MEANS FOR
CHILDREN

CA1
FN1
- 2011
N31



Canada

THE NEXT PHASE OF
CANADA'S ECONOMIC
ACTION
PLAN



THE NEXT PHASE OF CANADA'S ECONOMIC ACTION PLAN CHILDREN'S ARTS TAX CREDIT



INTRODUCTION

Millions of Canadians enrol their children in artistic, cultural, recreational and developmental activities each and every year. These activities contribute to a child's development and help create Canada's next great artists. To help with the costs associated with children's arts activities, the Next Phase of Canada's Economic Action Plan proposes to introduce a Children's Arts Tax Credit. The credit will be available for a wide range of activities that contribute to a child's development and are not eligible for the Children's Fitness Tax Credit.

The Children's Arts Tax Credit builds on the Government's actions to help parents and their children, such as the Children's Fitness Tax Credit, which provides tax relief for fees paid for children's activities such as hockey, soccer, basketball, gymnastics and baseball. Close to 1.4 million individuals benefit from the Children's Fitness Tax Credit each year.



HOW THE CHILDREN'S ARTS TAX CREDIT WILL WORK

Parents will be able to claim the 15-per-cent non-refundable Children's Arts Tax Credit on up to \$500 of qualifying expenses per child incurred in 2011 and future years for a child who is under age 16 at the beginning of the tax year. The age limit will be 18 for children eligible for the Disability Tax Credit, and an additional \$500 amount will be provided in those instances.

To qualify for the Children's Arts Tax Credit, a program must be:

- ongoing (either a minimum of once a week for at least eight weeks' duration, or five consecutive days);
- supervised; and
- suitable for children.



ELIGIBLE COSTS

Registration costs for participation in an eligible artistic, cultural, recreational or developmental program not covered by the Children's Fitness Tax Credit may be claimed under the Children's Arts Tax Credit.

Fees charged for programs that form part of a school's curriculum will not be eligible.



EXAMPLES OF ELIGIBLE ACTIVITIES

Art	Languages	Public speaking
Chess	Music	Scouting
Crafts	Painting	Sculpture
Drama	Photography	Sewing
Girl Guides	Pottery	Tutoring

The Canada Revenue Agency will make final determinations regarding the eligibility of particular activities, programs and expenses. The list of examples presented above is not exhaustive.



CHILDREN'S ARTS TAX CREDIT — EXAMPLE

Rick and Andrea have two young children, Adam and Chloe. Every year, Adam plays in a minor hockey league and attends a week-long music camp in the summer, while Chloe plays competitive soccer and takes art lessons. With the introduction of the Children's Arts Tax Credit, Rick and Andrea may claim between them up to \$500 for Adam's music camp and up to \$500 for Chloe's art lessons — this is in addition to eligible expenses of up to \$500 they may claim for Adam's hockey and up to \$500 for Chloe's soccer under the Children's Fitness Tax Credit. As a result, in 2011, Rick and Andrea may claim a credit on up to \$2,000 in expenses for their children's activities.

The Children's Arts Tax Credit builds on previous actions taken since 2006 to support families, including:



ALMOST \$3,100 IN TAX SAVINGS FOR THE AVERAGE FAMILY OF FOUR

- We've cut taxes in every way the Government collects them, lowering the federal tax burden to its lowest level in 50 years.



THE TAX-FREE SAVINGS ACCOUNT

- A flexible savings vehicle that helps Canadians save for the future.